

SENATE BILL REPORT

SB 6711

As Reported By Senate Committee On:
International Trade & Economic Development, January 31, 2006
Ways & Means, February 7, 2006

Title: An act relating to establishing a statewide online business training and entrepreneurial curriculum.

Brief Description: Establishing a statewide online business training and entrepreneurial curriculum.

Sponsors: Senators Eide, Brown, Fairley and McAuliffe.

Brief History:

Committee Activity: International Trade & Economic Development: 1/26/06, 1/31/06[DPS-WM, w/oRec].

Ways & Means: 2/6/06, 2/7/06 [DP2S, w/oRec].

SENATE COMMITTEE ON INTERNATIONAL TRADE & ECONOMIC DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 6711 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Shin, Chair; Sheldon, Vice Chair; Doumit and Eide.

Minority Report: That it be referred without recommendation.

Signed by Senators Pflug, Ranking Minority Member and Zarelli.

Staff: Jack Brummel (786-7428)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 6711 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Doumit, Vice Chair, Operating Budget; Brandland, Fairley, Kohl-Welles, Pridemore, Rasmussen, Regala and Rockefeller.

Minority Report: That it be referred without recommendation.

Signed by Senators Zarelli, Ranking Minority Member; Roach and Schoesler.

Staff: Paula Faas (786-7449)

Background: The Department of Community, Trade and Economic Development (CTED) delivers a range of economic-development related services from assisting with complex permit processes to infrastructure and business financing to marketing the state as a desirable

place to live, work and/or visit. CTED operates two programs to directly assist small businesses: Small Business Technical Assistance and Small Business Expert Finance Assistance Center. Combined, these two programs receive approximately \$2.1 million in general fund-state each biennium.

Washington State University was given the responsibility for administering the state's Small Business Development Center in 1984. The center is to provide management and technical assistance to small businesses throughout the state. The center may deliver specialized services through contract with other public and private entities.

Summary of Second Substitute Bill: CTED will contract for the development, distribution and promotion of an entrepreneurial and small business development online curriculum. CTED will establish the curriculum content and in doing so will consult with the state microenterprise association, small business development center, universities and community and technical colleges with small business assistance programs, the Workforce Training and Education Coordinating Board, and others. The online courses must be designed to allow state agencies or private organizations to assess completion and approve credit.

The curriculum is to be offered free of charge. The curriculum is to be completed by June 30, 2007, and available online by December 31, 2007. CTED will promote the curriculum on public and private web sites accessed by small business owners and entrepreneurs when establishing and incorporating their businesses.

Second Substitute Bill Compared to Substitute Bill: CTED, instead of the Small Business Development Center located at Washington State University, will be the lead agency for establishing curriculum content and contracting for additional services.

Substitute Bill Compared to Original Bill: Curriculum development is to be consistent with federal regulations and completed in coordination with the state microenterprise association.

Appropriation: \$50,000 general-fund state for fiscal year 2007.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For (International Trade & Economic Development): Online business training will be a godsend. The cost of tuition can be prohibitive. Many rural areas don't have entrepreneurial training available; online training can fill this void. Our patchwork quilt of programs and services needs to be linked together.

Testimony Against (International Trade & Economic Development): The bill might not conform to federal SBA requirements. It requires the curriculum be offered free of charge and might not be a good fit for the Small Business Development Center because current training generates income.

Who Testified (International Trade & Economic Development): PRO: Betty Buckley, Stone Soup.

CON: Brett Rogers, Small Business Development Center, Washington State University.

Testimony For (Ways & Means): None.

Testimony Against (Ways & Means): None.

Who Testified (Ways & Means): No one.